



**MINUTES FROM MEETING OF
PLANS MANAGEMENT BOARD
JULY 25, 2017**

The Plans Management Board (the “Board”) held a meeting on July 25, 2017 at 10:00 a.m. in the Main Conference Room of the Office of the State Treasurer (“OST”), located at 820 Silver Lake Blvd., Suite 100, Dover, DE 19904.

Board Members Represented or in Attendance:

Jose Echeverri, Chair

Ms. Nora Gonzalez, Deputy State Treasurer, OST (on behalf of State Treasurer Ken Simpler)

Mr. Charles Campbell-King

Mr. Robert Scoglietti, Director of Policy and External Affairs, Office of Management and Budget (on behalf of Director Jackson)

Ms. Jennifer Vaughn, Controller, Department of Insurance (on behalf of Commissioner Navarro)

Ms. Deloris Hayes-Arrington, Director of Human Resources, Department of Finance (on behalf of Secretary Geisenberger)

Karen Field Rogers, Deputy Secretary, Department of Education (on behalf of Secretary Bunting)

Others in Attendance:

Mr. John Meyer, Director of Contributions and Plan Management, OST

Mr. Mike Green, Investments and Operations Manager, OST

Mr. Daniel Kimmel, Promotion and Outreach Manager, OST

Mr. Omar Masood, Policy Advisor, OST

Ms. Kristen Kuipers, Director of Communications, OST

Mr. Jason Staib, Deputy Attorney General, DOJ

Mr. Dave Craik, Pension Administrator, OMB

Mr. Justin Chan, Intern, OST

Mr. Jeff Synder, Cammack Retirement Group (“Cammack”)

Ms. Marie Villeneuve, Cammack

Ms. Natalie Daniels, Voya Financial

Ms. Sarala Katta, Voya Financial

CALLED TO ORDER

The meeting was called to order at 10:01 a.m.

VOYA PRESENTATION

Ms. Daniels presented business metrics from January 1 through June 30 and spoke about employee engagement. Total program assets rose 10.5% during this period, largely due to market appreciation. There was a positive net cash flow. For the 403(b) plan, Ms. Daniels reported a large positive net cash flow and a high amount of rollovers.

The 457(b) plan also experienced a large net inflow. Average account balances stood at approximately \$36,000 for the 457(b) plan and about \$11,000 for the 403(b) plan. Ms. Daniels indicated that the 457(b) average is on par with Voya's 457(b) book of business, and that the 403(b) average appears lower because certain assets remain with legacy vendors. The average annual 457(b) contribution was \$3,442. The average for the 403(b) plan was \$3,943. There were 246 new enrollments in the 457(b) plan and 223 in the 403(b) plan.

Ms. Katta indicated that Voya had 5,000 interactions with employees and 35 group meetings during the first six months of the year. She reported over 90% positive ratings from employees and a "Net Promoter" score of 59. Mr. Meyer noted the top scores from companies like Apple and Southwest are 70—so Voya is doing fairly well.

There was a brief discussion of factors driving increased contributions.

Ms. Daniels provided an overview of Voya's online tools and reported good engagement online from participants.

Ms. Daniels reviewed the Board's three strategic plan goals: (a) to increase participation by 2% per year for three years; (b) to increase the number of participants deemed to be retirement ready by 20% per year; and (c) to manage investments to meet or exceeds benchmarks. Ms. Daniels then identified the tactics by which Voya aims to achieve the goals.

Mr. Campbell-King noted the importance of coordinating retiree communication efforts with the Office of Pensions. Mr. Meyer indicated that he has had discussions with the pension administrator about retirees.

DIRECTOR'S REPORT

Mr. Meyer asked for approval of the June 6th meeting minutes. Mr. Echeverri made a motion to approve the minutes. Ms. Rogers seconded the motion, which passed unopposed. Mr. Campbell-King was not in attendance at the June 6th meeting and therefore abstained.

Mr. Meyer gave an overview of a proposed new committee structure for the Board, which would be voted on in October and take effect early in 2018. Mr. Meyer explained the current plan-specific structure of the Board committees and indicated that the new structure would be task-specific to lead to greater synergies. Under the new structure, the Board would handle annual strategic planning, marketing efforts and annual fiduciary training. An investment committee would be created to handle investment performance and investment related matters. An audit and governance committee would be created to handle audits, plan amendments and cybersecurity.

Cammack recommended the proposal. Mr. Scoglietti asked if the structure change requires legislation. Mr. Meyer indicated that the Board had authority to create any committees deemed necessary.

Mr. Meyer invited Board members to express interest in a particular committee.

Mr. Echeverri inquired whether a vote would be required to formalize the new structure. Mr. Meyer responded that a vote would be necessary and is slated for the October 2017 meeting.

OTHER BUSINESS

Mr. Echeverri asked for an update on ABLE. Mr. Meyer explained that the ABLE RFP process is linked to the 529 RFP process, and that OST is working on the RFP and speaking to Fidelity about a contractual issue.

Ms. Gonzalez provided the Board with an update on OST's efforts to procure a software solution to manage the business of the Board. Mr. Staib spoke about FOIA and the importance of properly retaining Board documents.

PUBLIC COMMENTS

No members of the public attended the meeting.

NEXT MEETING

The next meeting will be October 24, 2017.

ADJOURNMENT

Mr. Campbell-King made a motion to adjourn. Ms. Rogers seconded the motion, which passed unanimously. The meeting adjourned at 11:17.

Respectfully submitted,

Jose Echeverri,
Chair, Plans Management Board